

# THE FUNDS OF THE STATE OF MISSOURI

June 30, 1975



*Bill J. Crigler*  
Assistant Treasurer



*James I. Spainhower*  
State Treasurer



*Price Hatcher*  
Director of Operations

## A LETTER FROM THE TREASURER

Dear Friends:

For the second time in as many years my office has announced a new record interest earning on the investment of inactive state funds.

In the fiscal year 1975 which ended June 30, the state earned \$25 million in interest from our investments in Missouri Banks and federal securities. After two and one-half years in office, our investments have earned a total of more than \$50 million in interest.

In fiscal year 1972 (July 1, 1971 - June 30, 1972) the state earned \$4.2 million. In fiscal year 1973 this figure jumped to more than \$9 million, and in 1974 to \$22.4 million — highest in the state's history. The interest earnings in 1974 more than doubled the figure from the preceding year and increased by another \$2.6 this year, producing more income for the state without extra cost to the taxpayers.

Overall, interest earnings under my administration have increased about 600 percent since I took office in January of 1973. This increase is partially a result of high interest rates in recent years, but is also largely attributable to several changes in the way my office invests its funds.

The most significant change, I think, is a large increase in the portion of the state's funds invested in interest-earning accounts. When I took office in 1973 the state invested about 74 percent of its idle funds. The remainder of the money stayed in demand checking and collection accounts, earning no interest. Our office now invests from 93 to 97 percent of the money on hand.

The amount of state money invested at any given time nearly always is above 90 percent of the total. This leaves state government with a slim 10 percent operating margin. In order to keep from running short, a careful coordination of deposits and withdrawals is required.

We are able to keep the balances in non-interest bearing accounts at this low level because of a "programmed investment" plan we introduced in 1973.

Some of the credit for increased interest earnings must go to a new streamlined collection system. With this system we have eliminated the most costly hitch in the collection process by establishing a computerized scan of over 500 collection accounts the state maintains in more than 250 banks throughout Missouri. Before we began the computerized system, money could stay in these accounts for indefinite periods. When the money finally moved from the collection accounts, it would go into a "revolving" account before reaching the state's pool of usable money. We have eliminated the revolving fund, and now computers automatically write a check when the money in a collection account reaches a certain level. This has eliminated mailing delays as well as possible negligence on the part of the collection banks.

All of these things have added up to more interest. The faster the state collects money, and the faster the treasurer invests it, the longer it can remain on deposit and the more interest it earns for state government.

We also sought and got statutory changes regulating the amount of interest the state can charge on its deposits in Missouri banks. Previously, Missouri had been restricted to an interest rate on time deposits of one-half percent below the rate of federal treasury bills averaged over the previous 90 days.

During a period when federal interest rates were steadily rising, Missouri banks continued to pay much lower rates than the prevailing national trend. While the old law was in effect, the state made 75 percent of its investments in the higher-yielding federal bills.

Our staff drafted and lobbied for a statutory change making the interest paid on time deposits the same as the average of treasury notes for the preceding week. The legislature acted favorably on our proposal and Missouri banks now pay a much more current rate of interest on state deposits. This has meant that state banks are now able to compete with the federal treasury for state funds. We now invest about 90 percent of our state funds inside the state and 10 percent in federal bills — a complete turnaround.

The advantage of keeping money in the state is that it generates deposits. The idea is that Missouri banks will have more money to turn back to the economy in the form of loans, providing more jobs, more business and, ultimately, more deposits.

Sincerely,



James I. Spainhower  
State Treasurer

## Balances June 30, 1975

<b>Time Deposits</b>	
General Fund .....	149,759,500.00
Second State Building Interest & Sinking Fund .....	5,791,871.52
Water Pollution Control Bond & Interest Fund .....	2,414,770.48
Water Pollution Control Fund .....	36,789,500.00
Revenue Sharing Trust Fund .....	77,729,400.00
Second State Building Fund .....	.00
Second Injury Fund .....	1,300,000.00
Babler Memorial State Park .....	150,000.00
<b>U.S. Securities</b>	
General Fund .....	47,840,817.63
Confederate Memorial St. Park Perpetuity Fund .....	14,045.06
*Demand Checking Accounts .....	25,951,285.36
Demand Collection Account .....	4,239,203.55
Total .....	351,980,393.60

\*This Total includes \$13,571,734.56 Checks, Drafts and Money Orders in the process of collection.

### Major Tax Receipts

Month of June 1974	Month of June 1975	Twelfth Month of Fiscal Year 1973-74	Twelfth Month of Fiscal Year 1974-75
Motor Vehicle Auto License			
7,038,505.56	6,946,546.17	91,287,284.37	87,564,425.63
Gasoline Tax			
13,648,216.75	13,640,767.71	161,844,321.70	158,990,668.26
Corporation Franchise Tax			
511,588.78	419,247.98	14,951,560.98	17,064,857.89
County Collector's Tax Revenue			
29,973.22	17,214.76	150,108.00	211,560.98
County Foreign Insurance Tax			
68,029.26	65,200.96	31,332,391.35	32,682,518.74
Income Tax (Individual)			
28,935,111.41	33,393,096.22	322,777,920.44	357,182,350.81
Income Tax (Corporation)			
9,392,385.92	8,776,341.70	61,342,737.20	62,000,529.31
Inheritance Tax			
1,262,110.23	2,425,272.17	15,401,037.52	18,084,966.69
Beer Permits and tax under 3.2 Law			
73,641.18	32,962.80	414,853.04	316,650.95
Beer and Liquor under Liquor Control			
2,915,645.61	2,735,024.19	24,203,267.64	22,972,366.11
Sales Tax			
36,499,937.78	40,599,458.35	437,116,639.65	470,248,361.82
Cigarette Tax			
4,855,912.28	5,320,221.38	56,564,047.53	56,518,018.20
105,231,057.98	114,371,354.39	1,217,386,169.42	1,283,837,275.39
Income Tax Refund			
12,448,704.99	5,953,093.27	51,571,500.49	82,310,075.75

**STATE OF**  
**REPORT OF THE TRANSACTION**

For the Month Ending th

FUNDS	PREVIOUS BALANCE May 31,1975	RECEIPTS During June 1975
State Revenue Fund — Federal .....	26,595,060.65	18,729,045.55
State Revenue Fund .....	36,234,317.00	92,283,863.87
Agricultural Emergency Fund .....	73,791.24	1,622,145.65
Aid to Blind Fund .....	155.49	.00
Aid to Dependent Children Fund .....	119,598.77	6,063,458.89
Aid to Disabled Fund .....	5,300.10	9.86
Apple Merchandising Fund .....	13,623.77	.00
Attorney General Anti Trust Revolving Fd. ....	1,291.43	2,391.92
Attorney General's Court Cost Fund .....	3,486.02	.00
Babler Memorial State Park Fund .....	352,047.85	5,157.00
Blind Pension Fund .....	2,190,095.27	5,547.71
Board of Accountancy Fund .....	108,359.27	650.00
Board of Barbers Examiners Fund .....	13,795.64	470.00
Board of Chiropractic Examiners Fund .....	17,103.07	.00
Board of Cosmetology Fund .....	64,799.11	6,881.25
Board of Embalmers Fund .....	53,004.09	2,384.00
Board of Optometry Fund .....	2,742.04	.00
Board of Pharmacy Fund .....	114,141.77	.00
Board of Podiatry Fund .....	603.09	.00
Board of Registration for Healing Arts Fund ....	185,411.35	.00
Board of Veterinary Fund .....	9,966.46	145.00
Civil Defense Fund .....	194,531.66	342,827.58
Commodity Council Merchandising Fund .....	37,637.94	12,219.09
Confederate Memorial St. Park Perpetuity Fd. ...	20,977.65	.00
Conservation Commission Fund .....	5,764,699.15	1,246,110.65
Contributions Fund .....	102,380.69	.00
County Aid Road Trust Fund .....	222.39	.00
Court Judicial Fund .....	333.70	.00
Crippled Children's Fund .....	50,545.89	524.58
Day Care Services Fund .....	3,295.50	86,076.95
Division of Family Services Fund .....	1,868,416.89	4,033,127.31
Escheats Fund .....	2,037,529.30	24,147.03
Federal Soldiers Home Fund .....	32,105.09	44,561.25
Food Stamps Claims Fund .....	5,842.26	3,844.31
Food Stamp Program Fund .....	1,718,736.81	377,386.10
Grade Crossing Fund .....	455,754.12	49.88
Hospital Contruction Fund .....	457,690.27	390,357.35
Inter-Agency Council Fund .....	132,634.98	264,479.23
Library Service Fund .....	24,835.55	80,000.00
Local Blind Service Fund .....	4,291.98	30.00
Local Child Welfare Service Fund .....	494,299.24	.00
Local Food Distribution Fund .....	17,948.41	.00
Medical Assistance Title XIX Fund .....	8,013,905.62	6,105,978.38
Medical Service Fund .....	4,913.88	263.68
Mined Land Reclamation and Conservation Fd. ...	70,554.56	607.50

# MISSOURI

## DEPARTMENTS OF THE STATE TREASURY

30th Day of June 1975

RECEIPTS BY TRANSFER During June 1975	DISBURSEMENT BY WARRANT June 1975	DISBURSEMENT BY TRANSFER During June 1975	BALANCE June 30, 1975
21,732.25	19,276,682.99	78,904.58	25,990,250.88
.00	53,044,504.99	905,286.02	74,568,389.86
.00	504,218.14	255.03	1,191,463.72
.51	156.00	.00	.00
.00	6,050,811.58	.00	132,246.08
.00	5,131.00	.00	178.96
.00	.00	.00	13,623.77
.00	.00	.00	3,683.35
.00	809.18	.00	2,676.84
.00	29,339.76	22,100.59	305,264.50
.00	177,991.11	1,165.53	2,016,486.34
.00	3,509.10	119.75	105,380.42
.00	4,120.26	144.57	10,000.81
.00	1,146.33	25.75	15,930.99
.00	13,699.08	664.00	57,317.28
.00	1,070.37	.00	54,317.72
.00	257.55	14.00	2,470.49
.00	5,417.35	245.59	108,478.83
.00	87.36	.00	515.73
.00	9,528.85	447.50	175,435.00
.00	1,382.25	.00	8,729.21
.00	370,791.87	1,899.32	164,668.05
.00	16,801.06	.00	33,055.97
.00	.00	.00	20,977.65
.00	1,356,740.20	43,725.30	5,610,344.30
.00	.00	.00	102,380.69
794,110.49	794,109.37	.00	223.51
.00	.00	.00	333.70
.00	.00	.00	51,070.47
6,500.00	95,389.76	.00	482.69
8,046.17	3,153,214.22	133,860.07	2,622,516.08
.00	18,748.95	.00	2,042,927.38
.00	43,573.34	5,338.77	27,754.23
.00	5,842.26	.00	3,844.31
.00	245,615.95	17,132.62	1,833,374.34
.00	.00	.00	455,804.00
.00	360,871.63	.00	487,175.99
.00	37,860.55	.00	359,253.66
.00	63,598.41	816.74	40,420.40
.00	1,440.67	.00	2,881.31
.00	.00	.00	494,299.24
.00	463.34	.00	17,485.07
.00	7,155,545.22	.00	6,964,338.78
.00	.00	.00	5,177.56
.00	3,820.35	229.38	67,112.33

# REPORT OF THE TRANSACTIONS OF

FUNDS	PREVIOUS BALANCE May 31, 1975	RECEIPTS During June 1975
Missouri Clean Water Fund .....	60,614.01	6,301.00
Missouri Real Estate Commission Fund .....	395,541.10	6,804.75
Missouri State Chest Hospital Fund .....	331,927.13	11,556.62
Missouri Water Development Fund .....	700,000.00	.00
Missouri Workmen's Compensation Fund .....	2,569,420.13	5,499.05
Motor Fuel Tax Fund .....	5,031,010.15	19,803,531.24
Office of Administration Revolving Administration Trust Fund .....	63,030.09	15,524.75
Old Age Assistance Fund .....	20,445.95	260.72
Public Service Commission Fund .....	473,668.22	.00
Poultry Experiment Station Fund .....		.00
Revenue Sharing Trust Fund .....	84,233,455.75	861,417.21
School for the Blind Trust Fund .....	148,906.08	5.85
School for the Deaf Trust Fund .....	15,354.47	.00
Second State Building Fund .....	21,716.58	577.50
Second State Building Bond Interest and Sinking Fund .....	5,791,871.52	.00
Second Injury Fund .....	1,644,903.54	9,836.56
Social Security Assistance Conversion Fund .....	6,361.71	1,684.46
Social Services Unmarried Mothers Fd. ....	13,995.88	1,472.23
Special Employment Security Fund .....	426,003.17	4,869.44
State Board of Nursing Fund .....	192,705.29	3,885.00
State Fair Fees Fund .....	94,964.65	.00
State Guaranty Student Loan Fund .....	78,209.65	160,335.85
State Highway Department Fund .....	4,664,434.29	8,578,499.51
State Milk Board Fund .....	163,886.30	106,528.92
State Park Board Building Fund .....	298,137.06	.00
State Park Fund .....	400,447.75	161,035.84
State Park Revolving Fund .....	4,658.75	391.33
State Public School Fund .....	5,559.18	.00
State Retirement Contribution Fund .....		.00
State Road Fund .....	72,592,509.24	7,500,297.76
State School Moneys Fund .....	15,502,891.57	5,323,458.88
State Seminary Fund .....	882.06	.00
State Seminary Moneys Fund .....	38,010.64	1,226.88
Tort Defense Fund .....	13,691.00	.00
Unemployment Compensation Adm. Fund .....	410,016.05	3,411,925.93
U.S. Public Health Fund .....	661,713.88	928,731.84
Vocational Rehabilitation Fund .....	48,919.64	131,218.00
Water Pollution Control Fund .....	38,203,342.21	307,881.31
Water Pollution Control Bond & Interest Fd. ....	2,486,898.95	.00
Working Capital Revolving Fund .....	169,736.09	409,778.32
TOTAL .....	325,652,616.74	179,489,278.32

THE STATE TREASURY — Continued

RECEIPTS BY TRANSFER During June 1975	DISBURSEMENT BY WARRANT June 1975	DISBURSEMENT BY TRANSFER During June 1975	BALANCE June 30, 1975
.00	4,635.58	.00	62,279.43
.00	6,140.55	434.82	395,770.48
.00	43,418.96	.00	300,064.79
.00	.00	.00	700,000.00
.00	150,009.76	8,173.29	2,416,736.13
.00	2,382,331.44	14,434,878.20	8,017,331.75
.00	14,957.39	266.28	63,331.17
.00	13,398.00	.51	7,308.16
.00	139,409.31	8,694.16	325,564.75
.00	.00	.00	.00
.00	5,516,258.30	603.17	79,578,011.49
.00	.00	.00	148,911.93
.00	.00	.00	15,354.47
.00	.00	.00	22,294.08
.00	.00	.00	5,791,871.52
.00	38,010.59	.00	1,616,729.51
.00	.00	8,046.17	.00
.00	3,119.66	.00	12,348.45
.00	.00	.00	430,872.61
.00	13,230.30	489.35	182,870.64
.00	11,674.07	.00	83,290.58
.00	17,883.59	.00	220,661.91
13,640,767.71	5,565,596.49	16,220,088.89	5,098,016.13
.00	85,813.23	150.54	184,451.45
.00	.00	.00	298,137.06
.00	46,037.25	.00	515,446.34
.00	174.48	.00	4,875.60
.00	.00	.00	5,559.18
1,397,670.71	1,397,670.71	.00	.00
16,163,228.57	35,549,536.39	.00	60,706,499.18
.00	4,158,387.18	10,275.62	16,657,687.65
.00	.00	.00	882.06
.00	.00	.00	39,237.52
.00	.00	.00	13,691.00
.00	3,323,254.77	110,787.22	387,899.99
.00	710,037.20	11,811.30	868,597.22
.00	105,355.52	.00	74,782.12
.00	759,352.00	.00	37,751,871.52
.00	.00	.00	2,486,898.95
.00	251,018.34	4,981.78	323,514.29
32,032,056.41	153,161,501.46	32,032,056.41	351,980,393.60

### Second State Building Bonds

Total Amount Authorized and Issued .....	\$ 75,000,000.00
Outstanding June 30, 1975 .....	\$ 16,730,000.00

Series	Maturity	Interest Dates	Interest Rate	Outstanding June 30, 1975
A	1958-1977	March 1, Sept. 1 .....	2-1/4, 2-3/8, 3%	\$ 2,095,000.00
B	1959-1979	May 1, Nov. 1 .....	2-1/4, 2-3/8, 3%	\$ 14,635,000.00

### Water Pollution Control Bonds

Total Amount Authorized .....	\$150,000,000.00
Issued and Outstanding June 30, 1975 .....	\$ 41,240,000.00

Series	Maturity	Interest Dates	Interest Rate	Outstanding June 30, 1975
A-72	1973-1997	June 1, Dec. 1 .....	5% to 6%	\$ 18,440,000.00
A-74	1975-1999	Feb. 1, Aug. 1 .....	5% to 5.60%	\$ 7,800,000.00
B-74	1975-1995	June 1, Dec. 1 .....	5% to 5.75%	\$ 15,000,000.00

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JAMES I. SPAINHOWER  
TREASURER OF THE STATE OF MISSOURI  
JEFFERSON CITY, MISSOURI